Sales Retail
Sales <u>Retail</u> (1221) 1,2,34,5,6,7 (1222) 21,22,23
1223 1.7.5.6.7.X 1223
1223 1228 2122,23, 24, 25, 26, 27, 28, 29
1557
1225 ROM
1229 <u>2,3,4,7</u> PC SC 1229 MC PA
1229 MC PA
1244

E Mail

October 30, 1995

To:

M. A. Washo

R. H. Fricke

Audrey Evanchik

All Divisions With Direct Responsibility For Shop Rite (Individually owned) Stores

Subject: Wakefern Food Corporation

Wakefern Food Corporation has chosen RJR as its "Preferred Supplier" for the Cigarette Category for 1996. This decision was made for the following reasons:

- <u>RJR's service level to all Wakefern Member Stores</u> with regard to merchandising of the department, maintenance of fixturing, and overall follow through.
- <u>RJR's "flex/bility" in adapting its contracts</u> to meet the demands of all of Wakefern's Member Stores. Philip Morris 1996 contracts spoke directly to "Exclusivity", with no flexibility.
- <u>BJR's direction of Co-Existence.</u> Maximization of contract monies from all Manufacturers. Wakefern realizes that a very small portion of department revenue is derived from RDA Dollars. Satisfying all Shop Rite cigarette purchasing customers, maximizes sales, and department income.

In mid November, I will present our 1996 Retail Partners Program to Executive Management. Our direction will once again be Co-Existence. Wakefern will recommend that all Member Groups, and Individually Owned Stores take advantage of our Program. They will not recommend PM Exclusivity.

As information, Wakefern's recommendation will be outlined at Buying Committee Meetings as well as in writing to all Members.

At this time I am requesting that you keep me updated regarding the outcome of your 1996 Partners Presentations as they are made.

If you have any questions, please call me.

Regards,

Nick Kuruc

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